



December 3, 2007

Honorable Jennifer M. Granholm  
P.O. Box 30013  
Lansing, Michigan 48909

**Re: Draft QAP for 2008-09**

Dear Governor Granholm,

We strongly endorse the proposed version of the MSHDA Qualified Allocation Plan (QAP) for 2008-09 and ask that you give your full support to this document.

We feel that MSHDA has selected important priorities with which to focus the LIHTC program. LISC is supportive of the policy objectives that stress revitalization of urban centers, fighting poverty, the importance of CDC's, and providing resources for supportive housing. The policy objectives re-orient the QAP as a resource for neighborhood development as compared to a resource that is scattered throughout the state without a strong focus.

Never in the history of the QAP has there been such open and inclusive discussion about the allocation of Low Income Housing Tax Credits. This year's process has allowed all interested parties to provide constructive comment. With a public process that started in the spring, there has been more opportunities for interaction with MSHDA than is our experience with any previous draft. We applaud Michael DeVos for understanding the necessary collaboration between community development corporations, human services providers, and for profit developers.

There is a broad coalition of support among important community development stakeholders such as numerous nonprofit developers, the City of Detroit, Local Initiatives Support Corporation ("LISC"), Corporation for Supportive Housing and the Michigan Coalition Against Homelessness. These organizations represent developers and intermediaries that have supported the development of thousands of residential units and the investment of hundreds of millions of dollars in Michigan's neighborhoods by leveraging the low income housing tax credit program.

We are hopeful that the MSHDA board will approve the current draft of the QAP at its next scheduled meeting on December 6<sup>th</sup>. Once that is completed, we support scheduling a round as quickly as possible in early 2008. We feel that any future rounds should be based on the new QAP, so that investments are made in this state that are both an economic boost and consistent with the most important policy priorities for housing our state's residents.

Sincerely,

*Deborah Younger*

Deborah Younger  
Executive Director

Cc: Nate Lake  
MSHDA Board Members



### **LOCAL INITIATIVES SUPPORT CORPORATION (DETROIT OFFICE)**

Since its founding in 1980, LISC has marshaled more than \$7.8 billion from 3,100 investors, lenders, and donors to become the largest nonprofit community development support corporation in the country. In over 300 urban and rural communities nationwide, LISC has helped 2,800 organizations build or rehabilitate more than 215,000 affordable homes and almost 30 million square feet of retail, community, and educational space - totaling almost \$22.3 billion in development. As a result, hundreds of thousands of people have better lives and brighter futures.

In Detroit, LISC has been supporting local development efforts since 1990. During the past 27 years, LISC has invested over \$100 million and leveraged an additional \$650 million in funding for revitalization efforts in Detroit neighborhoods, which has resulted in the planning and production of 3,217 units of housing and 567,062 square feet of commercial real estate.

In 1987 LISC established an affiliate, the National Equity Fund, Inc. ("NEF"), as a syndicator of low-income housing tax credits. During the past 20 years, NEF has funded some 1,500 projects in 43 states and raised \$5.5 billion for investment, resulting in the development of 80,000 homes. NEF has done this by supporting the efforts of 550 local development partners and leveraging its resources with nearly 150 banks, insurance companies and other corporations committed to affordable housing development. NEF's current funds include capital from 25 top investors that is being directed to single- and multi-family projects, special needs developments, public housing revitalization and historic rehabs.

Today, LISC is building upon the progress of physical revitalization efforts in neighborhoods across the country by establishing a program of "Sustainable Communities" to support broader issues of neighborhood health and long-term progress.

The campaign has five core objectives:

1. Expanding capital investment in housing and other real estate;
2. Building family income and wealth;
3. Stimulating local economic activity, and connecting it with regional economies and beyond;
4. Improving residents' access to quality education; and
5. Developing healthy environments and lifestyles, including safe streets, recreational amenities, community health clinics and environmentally sound design.

The Sustainable Communities campaign seeks to integrate these strategies to create outcomes of transformative scale for our neighborhoods, so that they evolve into places where human opportunity and social and economic vitality combine with a continuous process of growth, adaptation, and improvement.